

MINUTES
HOUSE BUSINESS COMMITTEE

DATE: Tuesday, March 15, 2022

TIME: 1:30 pm or upon adjournment

PLACE: Room EW41

MEMBERS: Chairman Dixon, Vice Chairman Furniss, Representatives Crane, Palmer, Barbieri, Armstrong, DeMordaunt, Clow, Andrus, Nichols, Adams, Bundy, Ferch, Galloway, Mitchell, Shepherd, Berch, Green

**ABSENT/
EXCUSED:** Reps. Dixon, Adams, DeMordaunt

GUESTS: The sign-in sheet will be retained in the committee secretary's office; following the end of the session the sign-in sheet will be filed with the minutes in the Legislative Library.

Vice - Chair Furniss called the meeting to order at 1:33 p.m.

MOTION: **Rep. Berch** made a motion to approve meeting minutes from February 1, 2022, February 23, 2022 and March 1, 2022.

**ALTERNATE
MOTION:** **Rep. Galloway** made a substitute motion to approve meeting minutes from February 1, 2022 and February 23, 2022 and hold the minutes from March 9, 2022 for further review. **Motion carried by voice vote.**

H 774: **Rep. Monks** presented **H 774**. The legislation modifies the Idaho Patient Act by clarifying pursuit of overdrawn checks for the amount of the overdrawn check is not an extraordinary collection action, providing a faster time line for adverse credit reporting in exchange for giving up the ability to pursue other extraordinary collection action, adjusting the timing and content of certain necessary patient communications, as well as the burden of proof, before engaging in an extraordinary collection action against a patient. The legislation also provides intent language to further clarify the limits on costs, fees, and attorney's fees began with any extraordinary collection action commenced on or after January 1, 2021, regardless of when the goods or services were delivered to the patient.

Rep. Monks asked for unanimous consent to also discuss **RS 29827**. Without objections, consent was granted. After drafting and reviewing **H 774**, concerns were addressed by drafting **RS 29827**. Some of the changes made to the RS include eliminating the group number of the consolidated summary and other privacy concerns, bounced checks, bundled fees, claw-backs and an expedited process to produce the consolidated summary. The difference between **H 774** and **RS 29827** is found on Page 4, Line 1. Verbiage was added between the words *patient* and *within*.

Bryan Zollinger, representing himself and his clients, and **Troy Ledgerwood**, Owner of a debt collection agency, spoke **in opposition** of **H 774**. They expressed collection agencies were not consulted about this legislation; any litigation must now include personal information and the patient number and other personal information must be redacted if there is a court filing. They agreed it is not constitutional to make this retroactive, prior to January 2021. There are also concerns with time lines and technology requirements.

In response to committee questions, **Mr. Zollinger** said there are dozens of cases in the supreme court relating to retroactivity. He started to go into detail.

There was an objection by **Rep. Berch**, suggesting **Mr. Zollinger** was relitigating the legislation.

In response to committee questions, **Mr. Ledgerwood** said, out of 30-40 of his medical clients, only two are able to comply with the Idaho Patient Act because of time-lines, technology, and other reasons. He said the business model has changed. They have renegotiated with insurance companies and are still sending claims in for collections but they are not collecting the full amount due. The collection agencies are reduced to phone calls and letters for collecting unpaid debt. Most people need to enter into a payment arrangement and they can ignore phone calls and letters from collection agencies.

Ken McClure, Lobbyist for several medical associations and the Treasure Valley Hospital, spoke **in support** of **H 774**. He agreed compliance with the Idaho Patient Act, as it exists, has been very challenging and is supportive of the changes.

In response to committee questions, **Mr. McClure** stated it has been problematic because the medical and billing systems don't talk to each other and it creates a major barrier. He proceeded to go through the legislation step by step. He said in order to make corrections, negotiations have been extensive since last April. It is Mr. McClure's opinion the RS provides clarifications and will allow the Idaho Patient Act to work.

MOTION: **Rep. Palmer** made a motion to introduce **RS 29827** and recommend it be sent directly to the second reading calendar. **Motion carried by voice vote.** **Rep. Monks** will sponsor the bill on the floor.

Rep. Ferch stated he will support the motion to provide damage control for the damage done by passage of the original Idaho Patient Act.

MOTION: **Rep. Palmer** made a motion to **HOLD H 774** in Committee. **Motion carried by voice vote.**

S 1354: **Rep. Gibbs** introduced **S 1354**. This legislation allows high school students who have completed two years of high school to enroll in a licensed barber or cosmetology program and begin accruing training hours during their junior year. The legislation clarifies the previous age requirement of sixteen and one-half years old applies to the qualification for licensure at the time of application. A high school student enrolled in a licensed program may be under sixteen and one-half years of age while accruing the course of instruction hours required for licensure. This bill allows students to get credits as juniors and seniors. **Rep. Gibbs** stated this program is available in eastern Idaho and there is interest in the Treasure Valley.

Spencer Barzee, Superintendent of West Side School District, spoke **in support** of **S 1354**. This bill applies to all public schools, including charter schools. His district is in its second year of the program. If a student enrolls in the barber and cosmetology program as a junior, they can complete their first semester of the program by the time they graduate from high school.

MOTION: **Rep. Shepherd** made a motion to send **S 1354** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Gibbs** will sponsor the bill on the floor.

S 1355: **Rep. Berch** presented **S 1355**. This legislation establishes the notification process for a credit transaction, secured by a subordinate lien on real property, when the senior mortgage or other senior secured interest on real property comes under foreclosure.

In response to committee questions, **Sen. Wintrow** said if a property owner is unable to make payments and a senior forecloses on the house, the junior lien holder may not know. This bill establishes a process for notification to the junior lien holder. It does not change the statute of limitations. Homeowners would be given a 90-day notice they owe money. Many do not know when loans are attached to the mortgage. The notification letter is sent to the last known address through the US postal service, not certified mail.

Trent Wright, President Idaho Bankers Association, spoke **in support of S 1355**. He indicated the foreclosure process is a very sensitive issue and the Idaho Bankers Association is in full support of this bill.

In closing, **Rep. Berch** asked for the committee's support of **S 1355**.

MOTION: **Rep. Green** made a motion to send **S 1355** to the floor with a **DO PASS** recommendation.

During committee discussion, **Rep. Galloway**, **Rep. Palmer**, **Rep. Crane**, and **Rep. Ferch** declared **Rule 80**.

VOTE ON MOTION: **Motion carried by voice vote.** **Rep. Berch** will sponsor the bill on the floor.

MOTION: **Rep. Galloway** made a motion to approve the minutes from the March 9, 2022 meeting. **Motion carried by voice vote.**

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 2:46 p.m.

Representative Dixon
Chair

Kelly Staskey
Secretary